LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6370 NOTE PREPARED: Feb 21, 2012 **BILL NUMBER:** SB 107 **BILL AMENDED:** Feb 20, 2012

SUBJECT: Deadline for Adoption of Salary Ordinances.

FIRST AUTHOR: Sen. Zakas

BILL STATUS: As Passed House

FIRST SPONSOR: Rep. Neese

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) The bill requires a second or third class city to adopt a salary ordinance not later than November 1 (instead of September 30) for the ensuing budget year.

The bill allows the fiscal body of a county, city, or town to vote to reduce the salaries of the body's members in a year in which there is not an election of members. The bill removes the requirement that the vote of a township legislative body be unanimous in order to reduce the salaries of the members of the township legislative body.

Effective Date: July 1, 2012.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The impact of the provision which allows the fiscal body of a county, city, or town to reduce salaries in a year that is not an election of members would depend on local action.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Counties; Cities, Towns; Second and third class cities.

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Information Sources:

Fiscal Analyst: Chris Baker, 317-232-9851.

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